



MEDIA RELEASE

STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE

FOR IMMEDIATE RELEASE
OCTOBER 1, 2003

CONTACT: PAULA WADE
615.741.6007 (OFFICE)
615.533.8241 (CELL)

COMMERCE & INSURANCE APPROVES INSURANCE PRODUCT FIRST TO QUALIFY FOR THE FEDERAL HEALTH COVERAGE TAX CREDIT

The Tennessee Department of Commerce and Insurance has approved Tennessee's first state-qualified insurance plan that is eligible to participate in the federal Health Coverage Tax Credit program.

“We hope that this program will be of help to displaced workers who are in need of medical coverage,” said Commerce and Insurance Commissioner Paula Flowers. “For those who qualify for the program, the tax credit will pay for 65 percent of the cost of a qualified health plan.”

Chattanooga-based Blue Cross Blue Shield of Tennessee has introduced the state's first coverage program to be approved for the tax credit, and that program is scheduled to be open for business October 1.

The tax credit program is limited to certain individuals under federal law:

1. Workers who have lost their jobs because of trade shifts and who are eligible for the federal Trade Adjustment Assistance (TTA) program or the Alternative Trade Adjustment Assistance (ATAA).
2. Those whose pensions are being paid by the federal Pension Benefit Guaranty Corp. but who are not entitled to Medicare.

Qualifying individuals who have lost their group coverage, who have exhausted their COBRA benefits, and who are uninsurable are eligible to participate. Some individuals on COBRA can also qualify for the tax credit. There are an estimated 2,838 Tennesseans who are known to qualify for the program. Once deemed eligible, they cannot be refused coverage even if they have a pre-existing condition.

To determine eligibility or get more information, individuals can contact the Health Care Tax Credit Customer Contact Center by calling 1-866-628-4282.

Program information is also available on the HCTC website:

<http://www.irs.gov/individuals/article/0,,id=109915,00.html>

DAVY CROCKETT TOWER, 5TH FLOOR
500 JAMES ROBERTSON PARKWAY
NASHVILLE, TN 37243
615.741.2241